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1 SENATE RESOLUTION NO. 1840

2 (As Amended by Senate Amendment No. 1)

3 WHEREAS, 529 college savings plans are important tools for
4 Illinoisans, offering a diverse range of investment options,
5 tax-deferred growth, tax-deductions benefits, and withdrawals
6 free of State and federal taxes when those withdrawals are used
7 for qualified higher education expenses such as tuition, fees,
8 books, computers, certain room and board costs, and required
9 supplies; and

10 WHEREAS, 529 prepaid tuition plans provide a valuable tool
11 for Illinoisans to prepay for future community college or
12 university study, reducing the uncertainty associated with
13 rising tuition rates while providing federal and State tax
14 benefits; and

15 WHEREAS, The enactment of Section 529 of the Internal
16 Revenue Code by Congress in 1996 allowed states to create
17 "Qualified Tuition Programs"; and

18 WHEREAS, The Office of the Illinois State Treasurer serves
19 as the Trustee and Administrator for all Illinois 529 College
20 Savings Plans; and

21 WHEREAS, The Bright Start and Bright Directions College

1 Savings Plans were created in Illinois in 2000 and 2005
2 respectively, to assist Illinois families to finance the costs
3 associated with a college education; and

4 WHEREAS, Today, over 400,000 accounts have been created in
5 Illinois and over \$7 billion has been saved for future higher
6 education expenses; and

7 WHEREAS, The Bright Start and Bright Directions College
8 Savings Plans have helped families meet their higher education
9 goals with over \$400 million withdrawn annually for qualified
10 higher education expenses at colleges and universities in
11 Illinois and throughout the United States; and

12 WHEREAS, The College Illinois! Prepaid Tuition Program was
13 established in Illinois in 1997 to help make college possible
14 for Illinois families; and

15 WHEREAS, More than 30,000 students have attended college
16 using over \$725 million in College Illinois! benefits; and

17 WHEREAS, In the 2015-16 school year alone, more than 10,000
18 students are using College Illinois! benefits to attend the
19 school of their choice, including at private and out-of-state
20 institutions; and

1 WHEREAS, In Illinois, over the past 15 years, average
2 tuition and fees at public four-year universities have risen at
3 over four times the rate of inflation, and over the past 40
4 years, tuition and fees have increased by more than twice the
5 rate of inflation; and

6 WHEREAS, Financial assistance has shifted away from grants
7 to providing access toward student loans so that today nearly
8 60% of all federal financial aid is in the form of loans,
9 substantially increasing the number of college graduates who
10 will face the burden of repaying significant student loan debt
11 upon entering the workforce; and

12 WHEREAS, According to the Federal Reserve Bank of New York,
13 student loan debt has now reached \$1.2 trillion nationally,
14 which is more than triple the amount owed in 2005; and

15 WHEREAS, Americans are burdened with student loan debt as
16 there are 40 million borrowers with an average balance of
17 \$29,000; and

18 WHEREAS, The Illinois College Savings Plans and Prepaid
19 Tuition Program help families to limit or prevent future
20 student loan debt by helping them save or prepay for future
21 higher education expenses; and

1 WHEREAS, The investments families make today pay off in the
2 form of increased earning potential for their children in the
3 future, with a college graduate earning an average of \$1
4 million more than a high school graduate during his or her
5 career according to the United States Census Bureau; and

6 WHEREAS, In Illinois, the dream of achieving academic and
7 professional success is being threatened by increasing tuition
8 rates and decreasing financial aid; and

9 WHEREAS, May 29th is recognized nationally as 529 College
10 Savings Day to raise awareness across the country about the
11 benefits of tax-advantaged college savings and prepaid tuition
12 plans known respectively as 529 College Savings Plans and 529
13 Prepaid Tuition Plans, as important vehicles to save for
14 college; therefore, be it

15 RESOLVED, BY THE SENATE OF THE NINETY-NINTH GENERAL
16 ASSEMBLY OF THE STATE OF ILLINOIS, that we designate May 29,
17 2016 as 529 College Savings Day in the State of Illinois to
18 help raise awareness about the escalating costs of higher
19 education and the importance of saving for college with the
20 help of 529 college savings and prepaid tuition plans.